

THE LIABILITY OF THE SURETY UNDER THE TRANSITIONAL SURETY BOND #10, 589, SHALL BE  
CONSIDERED AS HAVING TERMINATED AS OF THE EFFECTIVE DATE OF THIS REPLACEMENT SURETY  
BOND.

FORM MR-SUR

May 24, 2006

Bond Number 104805618  
Surety NAIC No. 19046  
Permit Number M035020  
Mine Name Lakeview Quarry

RECEIVED  
FEB 28 2007

DIV. OF OIL, GAS & MINING

ATTACHMENT A  
To  
RECLAMATION CONTRACT  
BETWEEN PRINCIPAL AND DIVISION

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
Division of Oil, Gas and Mining  
1594 West North Temple Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
Telephone: (801) 538-5291  
Fax: (801) 359-3940

☒ APPROVED

PIC  
M/035/020

THE UTAH MINED LAND RECLAMATION ACT

SURETY BOND

\*\*\*\*\*

The undersigned LAKEVIEW ROCK PRODUCTS, INC., as Principal,  
a Corporation organized under the laws of the State of Utah and  
Travelers Casualty and Surety Company of America, as Surety, a Corporation  
organized under the laws of the State of Connecticut, hereby jointly and severally bind ourselves,  
our heirs, administrators, executors, successors, and assigns, jointly and severally, unto the State of  
Utah, Division of Oil, Gas and Mining ("Division") and \_\_\_\_\_  
(other agency, if any) in the penal sum of Three Hundred Sixty Three Thousand One Hundred and No/100  
dollars (\$ 363,100.00 - - -).

This Surety Bond is provided to secure the obligations of the Principal, as set forth by the terms  
and conditions of the Reclamation Contract, and any addendums thereto, to reclaim lands that will be  
affected by mining operations as identified in the Notice of Intention received, or approved if  
applicable, by the Division on the 21 day of April, 2003.

The lands that are covered by this Surety Bond are the Lands Affected by mining  
operations as defined and described in the above Notice, and the Mining and  
Reclamation Plan if required, subject to terms and conditions of the Reclamation  
Contract.

The condition of this obligation is that if the Division determines that Principal has  
satisfactorily reclaimed the disturbed lands in accordance with the Mining and Reclamation Plan or  
Notice and has faithfully performed all requirements of the Mined Land Reclamation Act

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DIV. OF OIL, GAS & MINING



Bond Number 104805618  
Surety NAIC No. 19046  
Permit Number M035020  
Mine Name Lakeview Quarry

complied with the Rules and Regulations adopted in accordance therewith, then this obligation shall be void; otherwise it shall remain in full force and effect. Failure of the Principal to fulfill the obligations specified by the Mined Land Reclamation Act and the Rules adopted there under, and in accordance with the specification of the Principal's Mining and Reclamation Plan or Notice, may result in forfeiture of this bond in accordance with the applicable statutes and regulations.

If the Mining and Reclamation Plan or Notice provides for periodic partial reclamation of the lands affected, and if the lands are reclaimed in accordance with such Plan or Notice, Act and regulations, then Principal may apply for a reduction in the amount of this Surety Bond. In the converse, if the Mining and Reclamation Plan or Notice provides for a gradual increase in the lands affected or the extent of disturbance, then, the Division may require that the amount of this Surety Bond be increased, with the written approval of the Surety. The amount of reclamation surety may also be adjusted as a result of a periodic review by the Division, which shall take into account inflation/deflation based upon an acceptable Costs Index, or at the request of the operator.

This bond may be canceled by Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Written notice to the Division and Principal as required by this paragraph shall be provided by certified mail or by a courier service that provides proof of delivery by signature of the recipient. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal incurred prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

Surety is licensed to do business in Utah and is rated by A. M. Best as A- or better or rated as having Financial Performance Rating (FPR) of 8 or better, and is listed in the U. S. Department of Treasury's Circular "570." Upon incapacity of the Surety by reason of bankruptcy, insolvency, or suspension or revocation of its license, or upon failure to maintain the A. M. Best or FPR rating and listing on Circular "570", Principal shall be without adequate bond coverage as required by the Division and shall have 120 days after notice to replace the bond with other bonds acceptable to the Division. If the Principal does not replace this surety bond as required, the Division may order cessation of mining operations and commence actions to enforce its rights against the Surety. The Surety's liability shall continue and the Surety will remain fully liable for all reclamation obligations of the Principal incurred until this surety bond is forfeited, or the conditions of this obligation have been satisfied.

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Attachment A  
(revised May 24, 2006)

Bond Number 104805618  
Surety NAIC No. 19046  
Permit Number M035020  
Mine Name Lakeview Quarry

IN WITNESS WHEREOF, the Principal and Surety hereunto set their signatures and seals as of the dates set forth below.

LAKEVIEW ROCK PRODUCTS, INC.

Principal (Permittee)

Scott Hughes U.P.  
By (Name and Title typed):

Signature

☒ APPROVE

November 1, 2006

Date

**Surety Company**

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

Surety Company Name

Stirling S. Broadhead

Surety Company Officer

Attorney-In-Fact

Title/Position

Signature

1100 East 6600 So., Suite 400

Street Address

Salt Lake City, Utah 84121

City, State, Zip

(801) 288-1600

Phone Number

November 1, 2006

Date

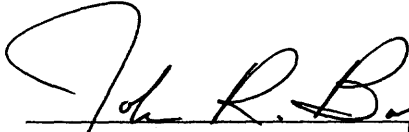
Page 4  
MR-SUR  
Attachment A  
(revised May 24, 2006)

Bond Number 104805618  
Surety NAIC No. 19046  
Permit Number M035020  
Mine Name Lakeview Quarry

SO AGREED this 1st day of November, 20 06.

AND APPROVED AS TO FORM AND AMOUNT OF SURETY:

☒ APPROVED

  
John R. Baza, Director  
Utah State Division of Oil, Gas and Mining

\*NOTE: Where one signs by virtue of Power of Attorney for a Surety, such Power of Attorney must be filed with this bond. If the Operator is a corporation, the bond shall be executed by its duly authorized officer.

### AFFIDAVIT OF QUALIFICATION

On the 1st day of November, 20 06, Stirling S. Broadhead  
personally appeared before me, who being by me duly sworn did say that he/she, the said  
Stirling S. Broadhead is the Attorney-In-Fact of  
TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA and duly acknowledged that said instrument was signed on behalf  
of said company by authority of its bylaws or a resolution of its board of directors and said  
Stirling S. Broadhead duly acknowledged to me that said company executed the same, and that  
he/she is duly authorized to execute and deliver the foregoing obligations; that said Surety is authorized  
to execute the same and has complied in all respects with the laws of Utah in reference to becoming  
sole surety upon bonds, undertaking and obligations.

Signed: [Signature]  
Surety Officer

Title: Stirling S. Broadhead

STATE OF Utah )  
 ) SS:  
COUNTY OF Salt Lake )

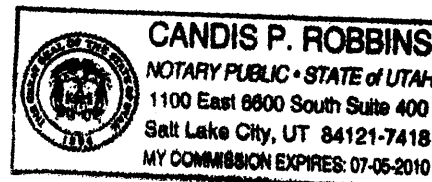
☒ APPROVED

Subscribed and sworn to before me this 1st day of November, 20 06.

[Signature]  
Notary Public  
Residing at: Salt Lake City, Utah

My Commission Expires:

July 5, 20 10.





POWER OF ATTORNEY

Farmington Casualty Company  
Fidelity and Guaranty Insurance Company  
Fidelity and Guaranty Insurance Underwriters, Inc.  
Seaboard Surety Company  
St. Paul Fire and Marine Insurance Company

St. Paul Guardian Insurance Company  
St. Paul Mercury Insurance Company  
Travelers Casualty and Surety Company  
Travelers Casualty and Surety Company of America  
United States Fidelity and Guaranty Company

Attorney-In Fact No. 214562

Certificate No. 000231334

**KNOW ALL MEN BY THESE PRESENTS:** That Seaboard Surety Company is a corporation duly organized under the laws of the State of New York, that St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company and St. Paul Mercury Insurance Company are corporations duly organized under the laws of the State of Minnesota, that Farmington Casualty Company, Travelers Casualty and Surety Company, and Travelers Casualty and Surety Company of America are corporations duly organized under the laws of the State of Connecticut, that United States Fidelity and Guaranty Company is a corporation duly organized under the laws of the State of Maryland, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc. is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

Sam W. Clark, Stirling S. Broadhead, Joseph A. Beykirch, Douglas S. Roskelley, and S. Christopher Clark

of the City of Salt Lake City, State of Utah, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 20th day of February, 2006.

Farmington Casualty Company  
Fidelity and Guaranty Insurance Company  
Fidelity and Guaranty Insurance Underwriters, Inc.  
Seaboard Surety Company  
St. Paul Fire and Marine Insurance Company

St. Paul Guardian Insurance Company  
St. Paul Mercury Insurance Company  
Travelers Casualty and Surety Company  
Travelers Casualty and Surety Company of America  
United States Fidelity and Guaranty Company



State of Connecticut  
City of Hartford ss.

By: George W. Thompson  
George W. Thompson, Senior Vice President

On this the 20th day of February, 2006, before me personally appeared George W. Thompson, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.  
My Commission expires the 30th day of June, 2006.



Marie C. Tetreault  
Marie C. Tetreault, Notary Public

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MAR 24 2004

STATE OF UTAH, DIVISION OF OIL, GAS & MINING

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA *M/0351020*

BOND RIDER

To be attached to and form a part of Transitional Surety Bond 103930589, executed November 25, 2003, by Lakeview Rock Products, Inc., as Principal, and Travelers Casualty and Surety Company of America, as Surety, in favor of the State of Utah, Division of Oil, Gas and Mining, as Obligee.

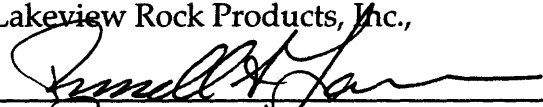
In consideration of the mutual agreements herein contained, the Principal, Surety, and Obligee hereby consent to the following:

The number of "Disturbed Area Acres" shall be increased from 39 acres to 93.8 acres as described in Attachment "A."

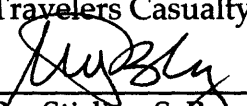
Nothing herein contained shall vary, alter or extend any provision or condition of this bond except as herein expressly stated. This rider is effective March 18, 2004.

Signed and sealed the 18th day of March, 2004.

Lakeview Rock Products, Inc.,

  
By: Russell A. Larson

Travelers Casualty and Surety Company of America

  
By: Stirling S. Broadhead, Attorney-in-Fact

**TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA  
TRAVELERS CASUALTY AND SURETY COMPANY  
FARMINGTON CASUALTY COMPANY  
Hartford, Connecticut 06183-9062**

**POWER OF ATTORNEY AND CERTIFICATE OF AUTHORITY OF ATTORNEY(S)-IN-FACT**

**KNOW ALL PERSONS BY THESE PRESENTS, THAT TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY,** corporations duly organized under the laws of the State of Connecticut, and having their principal offices in the City of Hartford, County of Hartford, State of Connecticut, (hereinafter the "Companies") hath made, constituted and appointed, and do by these presents make, constitute and appoint: **John R. Barton, Sam W. Clark, Stirling S. Broadhead, of Salt Lake City, Utah,** their true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred to sign, execute and acknowledge, at any place within the United States, the following instrument(s): by his/her sole signature and act, any and all bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking and any and all consents incident thereto and to bind the Companies, thereby as fully and to the same extent as if the same were signed by the duly authorized officers of the Companies, and all the acts of said Attorney(s)-in-Fact, pursuant to the authority herein given, are hereby ratified and confirmed.

This appointment is made under and by authority of the following Standing Resolutions of said Companies, which Resolutions are now in full force and effect:

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her.

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary.

VOTED: That any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary, or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority.

**This Power of Attorney and Certificate of Authority is signed and sealed by facsimile (mechanical or printed) under and by authority of the following Standing Resolution voted by the Boards of Directors of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, which Resolution is now in full force and effect:**

VOTED: That the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.



ATTACHMENT B

FORM MR-5  
(SMO-LMO Transition)  
October 30, 2000

Bond Number 103930589  
Permit Number M/035/020  
Mine Name Lower Pit

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
Division of Oil, Gas and Mining  
1594 West North Temple Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
Telephone: (801) 538-5291  
Fax: (801) 359-3940

RECEIVED

NOV 28 2003

DIV. OF OIL, GAS & MINING

THE MINED LAND RECLAMATION ACT

TRANSITIONAL SURETY BOND

\*\*\*\*\*

The undersigned Lakeview Rock Products, Inc., as Principal, and Travelers Casualty and Surety Company of America, as Surety, hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors, and assigns, jointly and severally, unto the State of Utah, Division of Oil, Gas and Mining (Division) in the penal sum of One Hundred Thousand and No/100 Dollars (\$100,000.00).

Principal has estimated that <sup>93.840</sup>~~39~~ acres of land is disturbed by mining operation in the State of Utah.

**A legal description and a topographic map of the disturbed land are attached as "Attachment A" and "Attachment C" to the Reclamation Contract, of which this document is an integral part.**

Unless the Division extends in writing the time period for this bond, the above-described penal sum shall be forfeited if the Principal has not satisfactorily reclaimed the disturbed lands in accordance with the requirements of the Mined Land Reclamation Act, and the rules and regulations adopted in accordance herewith, within one year (365 days) of the effective date of this Surety Bond. However, the Division may release the surety of its obligations under this bond if: 1) Principal has provided a substitute surety as part of an approved large mine operator permit, which is in the form and amount acceptable to the Division; or 2) Principal has satisfactorily reclaimed the disturbed lands in accordance with the requirements of the Mined Land Reclamation Act, and the rules and regulations adopted in accordance herewith.

The undersigned agrees to limit mining to the present disturbed area until such time as a Notice of Intention to Commence Large Mining Operations can be reviewed and approved by the Division.

This bond may be canceled by Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal incurred prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

IN WITNESS WHEREOF, the Principal and Surety hereunto set their signatures and seals as of the dates set forth below.

Lakeview Rock Products, Inc.  
Principal (Permittee)

By: Glenn E. Hughes (Name typed)

President/CEO

Title

Signature

Date 11-26-03

**Surety Company**

Surety Company Name  
Travelers Casualty and Surety  
Company of America

Street Address  
1100 East 6600 South, Suite 400  
Salt Lake City, UT 84121  
801-288-1600

Surety Company Officer  
Sam W. Clark

Sam W. Clark

Attorney-in-Fact

November 25, 2003

Date

Bond Number 103930589  
Permit Number M/035/020  
Mine Name Lower Pit

SO AGREED this <sup>LPS</sup> 29th <sup>max. 2004</sup> day of November, 2003.

AND APPROVED AS TO FORM AND AMOUNT OF SURETY:

Lowell P. Braxton  
Lowell P. Braxton, Director  
Utah State Division of Oil, Gas and Mining

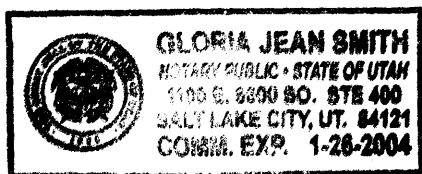
\*NOTE: Where one signs by virtue of Power of Attorney for a Surety, such Power of Attorney must be filed with this bond. If the Operator is a corporation, the bond shall be executed by its duly authorized officer.

#### AFFIDAVIT OF QUALIFICATION

On the 25th day of November, 2003, Sam W. Clark, personally appeared before me, who being by me duly sworn did say that he is the Attorney-in-Fact of Travelers Casualty and Surety Company of America, and duly acknowledged that said instrument was signed on behalf of said company by authority of its bylaws or a resolution of its board of directors and said Sam W. Clark duly acknowledged to me that said company executed the same, and that he is duly authorized to execute and deliver the foregoing obligations; that said Surety is authorized to execute the same and has complied in all respects with the laws of Utah in reference to becoming sole surety upon bonds, undertakings and obligations.

Subscribed and sworn to before me this 25th day of November, 2003.

STATE OF UTAH  
COUNTY OF SALT LAKE



Gloria Jean Smith  
Notary Public  
Residing at: Salt Lake County, UT

My Commission Expires:

January 26, 20 04

**TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA  
TRAVELERS CASUALTY AND SURETY COMPANY  
FARMINGTON CASUALTY COMPANY  
Hartford, Connecticut 06183-9062**

**POWER OF ATTORNEY AND CERTIFICATE OF AUTHORITY OF ATTORNEY(S)-IN-FACT**

**KNOW ALL PERSONS BY THESE PRESENTS, THAT TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY,** corporations duly organized under the laws of the State of Connecticut, and having their principal offices in the City of Hartford, County of Hartford, State of Connecticut, (hereinafter the "Companies") hath made, constituted and appointed, and do by these presents make, constitute and appoint: **John R. Barton, Sam W. Clark, Stirling S. Broadhead,** of Salt Lake City, Utah, their true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred to sign, execute and acknowledge, at any place within the United States, the following instrument(s): by his/her sole signature and act, any and all bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking and any and all consents incident thereto and to bind the Companies, thereby as fully and to the same extent as if the same were signed by the duly authorized officers of the Companies, and all the acts of said Attorney(s)-in-Fact, pursuant to the authority herein given, are hereby ratified and confirmed.

This appointment is made under and by authority of the following Standing Resolutions of said Companies, which Resolutions are now in full force and effect:

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her.

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary.

VOTED: That any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary, or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority.

**This Power of Attorney and Certificate of Authority is signed and sealed by facsimile (mechanical or printed) under and by authority of the following Standing Resolution voted by the Boards of Directors of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, which Resolution is now in full force and effect:**

VOTED: That the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

## **IMPORTANT DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE**

On November 26, 2002, President Bush signed into law the Terrorism Risk Insurance Act of 2002 (the "Act"). The Act establishes a short-term program under which the Federal Government will share in the payment of covered losses caused by certain acts of international terrorism. We are providing you with this notice to inform you of the key features of the Act, and to let you know what effect, if any, the Act will have on your premium.

Under the Act, insurers are required to provide coverage for certain losses caused by international acts of terrorism as defined in the Act. The Act further provides that the Federal Government will pay a share of such losses. Specifically, the Federal Government will pay 90% of the amount of covered losses caused by certain acts of terrorism which is in excess of Travelers statutorily established deductible for that year. The Act also caps the amount of terrorism-related losses for which the Federal Government or an insurer can be responsible at \$100,000,000,000.00, provided that the insurer has met its deductible.

Please note that passage of the Act does not result in any change in coverage under the attached policy or bond (or the policy or bond being quoted). Please also note that no separate additional premium charge has been made for the terrorism coverage required by the Act. The premium charge that is allocable to such coverage is inseparable from and imbedded in your overall premium, and is no more than one percent of your premium.